




Fermilab

Director's Office

December 19, 2012

TO: Division / Section / Center Heads
Project Managers

FROM: Piermaria Oddone 

SUBJECT: FY2014 & FY2015 Budget Guidance

Attached is budget guidance for FY2014 and FY2015. Please note the format has changed from prior years and includes footnotes containing important information in making your plans.

The budgets you formulate in accordance with this guidance will be used for our contractually-required field budget submission to DOE, and for the Laboratory's budget presentation to the Office of High Energy Physics (OHEP) on February 28, 2013. The DSC and Project input into our financial planning process is critical to our understanding and communication of the laboratory's funding needs for the next two years.

Also enclosed is a draft of a developing Lab Agenda, a summary of multi-year strategic objectives, critical outcomes, and lab-level major supporting initiatives. The Lab Agenda should be used in conjunction with discussions with your Associate Director/COO to ensure alignment of your plans with important Lab initiatives over the planning horizon.

Project managers and appropriate DSC personnel are expected to communicate in a timely fashion regarding estimated labor needs for these two years. Project managers communicated project labor requests late last month; projects and DSCs should reach agreement on labor estimates by **COB Friday, January 18, 2013** based on the best information available at the time. It is understood that project plans, and thus labor estimates, change. Senior management will take into account significant changes from uploaded estimates when preparing the February budget briefing to OHEP.

The following assumptions should be included in your financial plans:

	FY2014	FY2015
Average annual salary increases, including promotion and reward & recognition:	2.5%	2.5%
M&S Inflation:	2.5%	2.5%
Fringe Rate	33.0%	33.0%

In order to compile and analyze the data in time to use it to prepare for the presentation to OHEP, it is necessary that your FY2014 and FY2015 budget data be entered into the laboratory's financial system no later than **COB Friday, January 25, 2013 for Projects and Sections** and no later than **COB Wednesday January 30, 2013 for Divisions**.

cc: Y.-K. Kim
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